

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NORTH MANCHESTER)	
WATER ASSOCIATION FOR RATE ADJUSTMENT)	
PURSUANT TO THE ALTERNATIVE RATE)	CASE NO. 89-084
FILING PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On August 23, 1989, the Commission established new rates for water service provided by North Manchester Water Association ("North Manchester"). When establishing these rates the Commission accepted and adopted the findings of the Commission Staff that North Manchester requires gross annual revenues of \$188,560 to meet its operating expenses, service its debt, and provide for future equity growth. Upon subsequent review of the rates set out in its Order of August 23, 1989, the Commission has discovered that these rates will not produce annual revenues of \$188,560. To produce the appropriate amount of revenue, the rates for water service through 1-inch and 2-inch meters, unaltered by the Commission's August 23, 1989 Order, must also be adjusted. Such adjustment will not alter North Manchester's rate design as it existed at the time of its application for rate adjustment.

Accordingly, the Commission finds that the rates set out in Appendix A are the fair, just, and reasonable rates for North Manchester and will produce gross annual revenues of \$188,560.

WHEREFORE, the Commission, on its own motion, hereby ORDERS that:

1. The rates set out in Appendix A, attached hereto and incorporated herein, are approved for service rendered by North Manchester on and after the date of this Order.

2. Within 20 days of the date of this Order, North Manchester shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of September, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 89-084 DATED 9/21/89

The following rates and charges are prescribed for the customers in the area served by North Manchester Water Association. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Monthly Rates

1-Inch Meters

First 5,000 gallons	\$17.65 (Minimum Bill)
Next 5,000 gallons	2.60 per 1,000 gallons
Next 15,000 gallons	2.30 per 1,000 gallons
Over 25,000 gallons	1.85 per 1,000 gallons

2-Inch Meters

First 15,000 gallons	\$42.15 (Minimum Bill)
Next 10,000 gallons	2.30 per 1,000 gallons
Over 25,000 gallons	1.85 per 1,000 gallons

5/8 X 3/4 - Inch Meters

First 2,000 gallons	\$ 9.10 (Minimum Bill)
Next 3,000 gallons	2.85 per 1,000 gallons
Next 5,000 gallons	2.60 per 1,000 gallons
Next 15,000 gallons	2.30 per 1,000 gallons
Over 25,000 gallons	1.85 per 1,000 gallons